

SECTION 01027 - APPLICATION FOR PAYMENT
PART 1 – GENERAL

1.1 RELATED DOCUMENTS

- A. Drawings and general provisions of Contract, including General and Supplementary Conditions and other Division-1 Specification Sections, apply to this Section.

1.2 SUMMARY

- A. This Section specifies administrative and procedural requirements governing the Contractor's Applications for Payment.
- B. The Contractor's Construction Schedule is included in Section "Submittals".

1.3 SCHEDULE OF VALUES

- A. The Contractor shall coordinate preparation of its Schedule of Values with preparation of the Contractor's Construction Schedule.

- 1 Correlate line items in the Schedule of Values with other required administrative schedules and forms including:

- a. Contractor's construction schedule.
 - b. Application for Payment form.
 - c. List of subcontractors
 - d. Schedule of allowances
 - e. List of products
 - f. List of principal suppliers and fabricators

- 2 Submit the Schedule of Values to the Architect at the earliest feasible date, but in no case later than 7 days before the date scheduled for submittal of the initial Application for Payment.

- B. Format and Content: Use the Project Manual Table of Contents as a guide to establish the format for the Schedule of Values.

- 1 Arrange the Schedule of Values in a tabular form with separate columns to indicate the following for each item listed:

- a. Generic name.
 - b. Related Specification Section
 - c. Name of subcontractor.
 - d. Name of manufacturer or fabricator
 - e. Name of supplier
 - f. Change Orders (numbers) that have affected value.
 - g. Dollar value
 - h. Percentage of Contract Sum to the nearest one-hundredth percent, adjusted to total 100 percent.

- 2 Provide a breakdown of the Contract Sum in sufficient detail to facilitate continued evaluation of Applications for Payment and progress reports. Break principal subcontract amounts down into several line items.
- 3 Round amounts off to the nearest whole dollar; the total shall equal the Contract Sum.
- 4 For each part of the Work where an Application for Payment may include materials or equipment, purchased or fabricated and stored, but not yet installed, provide separate line items on the Schedule of Values for initial cost of the materials, for each subsequent stage of completion, and for total installed value of that part of the Work.

1.4 APPLICATIONS FOR PAYMENT

- A. Each Application for Payment shall be consistent with previous applications and payments as certified by the Architect and paid for by the Owner.
 - 1 The initial Application for Payment, the Application for Payment at time of Substantial Completion and the final Application for Payment involve additional requirements.
- B. Payment Application Times: Each progress payment date is as indicated in the Agreement. The period of construction Work covered by each Application or Payment is the period indicated in the Agreement.
- C. Payment Application forms: Use AIA document G 702 and Continuation Sheets G 703 as the form for Application for Payment.
- D. Application Preparation: Complete every entry on the form, including notarization and execution by person authorized to sign legal documents on behalf of the contractor. Incomplete applications will be returned without action.
 - 1 Entries shall match data on the Schedule of Values and Contractor's Construction Schedule. Use updated schedules if revisions have been made.
 - 2 Include amounts of Change Orders and Construction Change Directives issued prior to the last day of the construction period covered by the application.
- E. Transmittal: Submit 3 executed copies of each Application for Payment to the Architect by means ensuring receipt within 24 hours; one copy shall be complete, including waivers of lien and similar attachments when required.
 - 1 Transmit each copy with a transmittal form listing attachments, and recording appropriate information related to the application in a manner acceptable to the Architect.
- F. Waivers of Mechanics Lien: With each Application for Payment submit waivers of mechanics liens from subcontractors or sub-subcontractors and suppliers for the construction period covered by the previous applications.

- 1 Submit partial waivers on each item for the amount requested, prior to deduction for retainage, on each item.
- 2 When an application shows completion of an item, submit final or full waivers.
- 3 The Owner reserves the right to designate which entities involved in the Work must submit waivers.
- 4 Waiver Delays: Submit each Application for Payment with the Contractor's waiver of mechanics lien for the period of construction covered by the application.
- 5
 - a. Submit final Application for Payment with or preceded by final waivers from every entity involved with performance of Work covered by the application who could lawfully be entitled to a lien.
- 6 Waiver Forms: Submit waivers of lien on forms and executed in a manner, acceptable to Owner.

G. Initial Application for Payment: Administrative actions and submittals that must precede or coincide with submittal of the first Application for Payment include the following:

- 1 List of subcontractors
- 2 List of principal suppliers and fabricators.
- 3 Schedule of Values.
- 4 Contractor's Construction Schedule (preliminary if not final).
- 5 List of Contractor's staff assignments.
- 6 Copies of building permits.
- 7 Copies of authorizations and licenses from governing authorities for performance of the Work.
- 8 Certificates of insurance and insurance policies.
- 9 Performance and payment bonds (if required).
- 10 Data needed to acquire Owner's insurance.

H. Application for Payment at substantial Completion: following issuance of the Certificate of Substantial Completion, submit an Application for Payment; this application shall reflect any Certificates of Partial Substantial Completion issued previously for Owner occupancy of designated portions of the Work.

I. Administrative actions and submittals that shall precede or coincide with this application include:

- 1 Occupancy permits and similar approvals.
- 2 Warranties (guarantees) and maintenance agreements.
- 3 Test/adjust/balance records.
- 4 Maintenance instructions
- 5 Meter readings:.
- 6 Start-up performance reports
- 7 Change-over information related to Owner's occupancy, use, operation and maintenance.
- 8 Final Cleaning
- 9 Application for reduction of retainage and consent of surety.

- 10 Advice on shifting insurance coverages.
- 11 List of incomplete Work, recognized as exceptions to Architect's Certificate of Substantial Completion.

J. Final Payment Application: Administrative actions and submittals which must precede or coincide with submittal of the final payment Application for Payment include the following:

- 1 Completion of Project close-out requirements.
- 2 Completion of items specified for completion after Substantial Completion.
- 3 Assurance that unsettled claims are settled.
- 4 Assurance that Work not complete and accepted is now completed.
- 5 Transmittal of required Project construction records to Owner.
- 6 Proof that taxes, fees and similar obligations have been paid.
- 7 Removal of temporary facilities and services have been completed.
- 8 Removal of surplus materials, rubbish and similar elements.
- 9 Change of door locks to Owner's access.

PART 2 – PRODUCTS (Not Applicable)

PART 3 – EXECUTION (Not Applicable)

END OF SECTION 01027